



Ninety-Eighth Legislature - First Session - 2003
Introducer's Statement of Intent
LB 706

Chairperson: Tom Baker
Committee: Transportation and Telecommunications
Date of Hearing: February 24, 2003

The following constitutes the reasons for this bill and the purposes which are sought to be accomplished thereby:

Each year, hundreds of millions of dollars are transferred through the Highway Trust Fund in order to finance Nebraska's highway system. 53 1/3% of the money in the Highway Trust Fund is transferred into the Highway Cash Fund (except for the variable motor fuel excise tax, of which 100% is transferred into the Highway Cash Fund). The legislature then appropriates money from the Highway Cash Fund to the Nebraska Department of Roads Operations Cash Fund. According to the Governor's Executive Budget in Brief, the Department of Roads has requested an appropriation of \$584,276,000 for 2003-04 into this fund, and the Governor has recommended \$590,181,911 for this coming fiscal year.

Due to the large amounts of money being transferred through the Highway Trust Fund, these funds have become targeted in recent months as a source of potential revenue in tight financial times. While the legislature does have approval over how much money is appropriated to the Department of Roads Operations Cash Fund, there is little understanding as to how the highway system is financed, and how the money is spent.

Therefore, LB 706 was introduced to bring more information regarding the state's highway financing system. LB 706 would add three legislators, one from each congressional district, to sit as non-voting members on the State Highway Commission, which acts in an advisory capacity to the Director-State Engineer in the establishment of policies for carrying out the duties and responsibilities of the Department of Roads. These members would be appointed by the executive board, and as non-voting members, would be advisory only. In other words, they have no real power on the board. These legislative members would, however, become better informed as to how the Highway Trust Fund money is allocated and spent, giving the legislature the power of information to better use their appropriating authority with regards to the financing of the State Highway System.

Principal Introducer: _____
Senator Joel T. Johnson

